

Kentucky Agricultural Development Board

Meeting Minutes

December 1, 2000

The Kentucky Agricultural Development Board met on Friday, December 1, at 8:30 a.m., at the Kentucky History Center in Frankfort. Governor Patton, Chairman, called the meeting to order, and the secretary called the roll.

Members Present:

Governor Paul E. Patton, Chairman; Commissioner Billy Ray Smith, Vice Chairman; John-Mark Hack, Executive Director; Daniel Case; Larry Clay; Seth Conner; Susan Harkins; Wayne Hunt; Keith Jeffries; Sam Lawson; Dean C. Oran Little; Sam Moore; Willa Poynter; Eddie Sellers; Mike Slaughter; and Gene Fuqua for Secretary Gene Strong.

Others Present:

Mark Farrow, Terry Garmon, and Doug Thomas, Kentucky Department of Agriculture; Sharon Cantrell, Karen Crabtree, Wanda Gay, and Steve Mason, Legislative Research Commission; John Stevenson, Kentucky Cattlemen's Association; Karen Armstrong-Cummings, Commodity Grower's Cooperative; Charles Wolfe, Associated Press; Michael R. Young; Sharon Burton, The Farmer's Pride; Kelli Rodman, The Commonwealth Group; John Hicks, Office of State Budget Director; Mayor Bob Hunt, Cave City; Jeff Hall, Tony Pescator, and Scott Smith, University of Kentucky; Joe Ward, The Courier-Journal; Carole Knoblett, Kentucky Poultry Federation; Steve Coleman, Kentucky Division of Conservation; Jim Ellis, Maintain Our Rural Environment (Shelby County); John M. Barrick, Allorganic; Jean-Marie Lawson; Tim Alexander, Henderson County Agricultural Development Council; and Mark Kaser, Kentucky Wood Products.

Staff Present:

Ashley Davis, Ben Gramig, Joel Neaveill, Lisa Thomas, and Tim Woods.

Executive Director's Report:

John-Mark Hack, Executive Director, reviewed the day's agenda. He pointed out that while the agenda didn't appear to fill the day; time was allotted for open discussion by the members.

Mr. Hack advised the board that the comprehensive plan presented in the meeting materials is a short-term agricultural development plan as required by HB611. The long-term plan will be quite different. The short-term plan is designed to open access to the

Kentucky Agricultural Development Fund for initial investment decisions. Included in this packet is the application form needed to access state and county funds. The long-term plan will identify specific ways in which those initial investments might be linked with other major state government policy efforts already underway. Dr. Ray Goldberg, Harvard Business School, is the world's pre-eminent authority on agri-business. Dr. Goldberg has committed to assist with the process of deciding the best course for Kentucky's agricultural and rural communities.

Director Hack briefed the Board on the status of the personnel search. He stated that the search for the Chief Operating Officer has been successful. The State Budget Director is currently in the process of finalizing the agreement. No announcement can be made until all contracts are finalized.

The formal search for the Director of the Kentucky Center for Agricultural Development and Entrepreneurship will begin immediately. The target date for appointment of this individual is February 1.

Finally, Director Hack turned the floor over to Ashley Davis, Public Information Officer. Mr. Davis introduced Kay Kennedy and Krishna Reddy the individuals from the Governor's Office of Technology that assisted with the creation and establishment of the Governor's Office of Agricultural Policy web site. Members were given a virtual tour of the site and a demonstration of its capabilities. The web site address is www.kyagpolicy.com.

Introduction of Dean Scott Smith:

Dean C. Oran Little introduced Dean Scott Smith. Dean Smith will replace Dean Little as the Dean of the University of Kentucky College of Agriculture on January 1, 2001. Governor Patton congratulated Dean Smith on his new appointment and welcomed him to the meeting.

Daviess County Comprehensive Plan:

Daviess County was the first county to submit the County Comprehensive Plan. Copies of the plan were distributed to board members. John-Mark Hack stated that this was an excellent plan and that it would be posted on the website as a model for other counties.

Near-Term State Wide Comprehensive Plan:

Tim Woods, Economist, reviewed the document entitled State Agricultural Economic Overview. John-Mark Hack called the members' attention to the chart on page 41 entitled State-Level Investment Priorities. He asked that the members make a decision on its investment priorities today. There was much discussion.

Dean Little moved with a second by Eddie Sellers to receive the document. The motion passed by voice vote.

Amendments were made to the document as follows:

Page 41; State-Level Investment Priorities Table:

Developing Established Ag Sectors Section: Amend to reflect the language in the previously approved document entitled Suggested Guiding Principles for Board Action; #18

Other Proposals Section: Delete the word 'recruitment'

Change: 'New and Emerging Commodities' to read 'New and Emerging Products'

Entitle the Document 'Near-Term Comprehensive Plan for Agricultural Development and follow with an explanation

Dean Little moved with a second by Sam Lawson that the document be adopted as the 'initial draft' of the Board's statewide comprehensive plan, as amended. The motion passed with 14 yea & 1 nay vote by Larry Clay.

Farmland Preservation Committee Report:

Susan Harkins, Chairperson of the Farmland Preservation Committee reviewed the Resolution submitted by the Farmland Preservation Committee. This Committee resolved to invest \$15 million in the Fayette County Rural Land Management Board and \$10 million in the Purchase of Agricultural Conservation Easements program. Susan Harkins moved for adoption of the Resolution, with a second by Commissioner Smith. The motion passed with 12 yea votes; because of a potential conflict of interest Dean Little, Sam Moore, and Commissioner Smith abstained.

Kentucky Agricultural Development Fund: Investment Program: Request for Proposals:

John-Mark Hack reviewed the document with the Board. There was discussion and the document was amended as follows:

Page 2; 4.a: delete the word cash

Page 2; 4.a: change 10% to 50%

Page 2; 4.b; second sentence: change to read: The Agricultural Development Board recommends that counties require a minimum of 50% total cost-share as demonstrated on the budget worksheet of the application

Page 2; 4.b; third sentence: delete everything after the word requirements

Page 2; 4: add c. The Agricultural Development Board reserves the right to waive cost-share requirements for special proposals from not for profit agencies and associations

Page 3; 6.B: delete the fourth sentence

Page 10; second sentence: change to read: If you answer these questions on a separate sheet of paper please limit the responses to one page per question or less and attach to the application form cover sheet

Page 12; 8: add: This business plan will not be included in the maximum total number of pages requirement.

Page 12; 9: after the word funds add: and/or county council funds

Page 13; establish separate categories for Land and Equipment

Page 16; Investment Application Evaluation Criteria, question 5, after practical add: and provide the necessary supporting documentation; change to 10 points

Page 16; Investment Application Evaluation Criteria, question 6 change to read: Does the project provide a realistic opportunity to increase farm profitability?; change to 15 points

Page 16; Investment Application Evaluation Criteria, delete question 8

Sam Lawson moved with a second by Wayne Hunt to adopt the document as amended. The motion passed by voice vote.

Draft Bylaws for Kentucky County Agricultural Development Councils:

The board reviewed and discussed the draft document. Amendments were made as follows:

Article I, Section 2: add # 5: Include language for replacement of council members because of death and liability statement

Article III, Section 2: change the word shall to the word may and add an open meetings statement

Article IV, Section 1, paragraph 2: delete 'the board' and substitute 'committees'

Article IV, Section 2.2: replace supervise with assist

Article IV, Section 2.3: replace Coordinate with Assist in planning

Article IV, Section 2.5: delete

Add language to reflect that reimbursement to counties will be handled through a MOA between the ADB and County Extension Service.

Sam Moore moved with a second by Dean Little that the Draft Bylaws for Kentucky County Agricultural Development Councils as amended be submitted to the Bylaws committee and that the committee be empowered to approve the document. The motion passed by voice vote.

The Agricultural Development Board goes on record commending Dean C. Oran Little, for his dedication and contributions to the Commonwealth of Kentucky, Agriculture, and the Agricultural Development Board and wishes him well in his retirement.

The next meeting of the Agricultural Development Board will be December 15 at the Kentucky History Center.

With no further business the meeting adjourned at 5:15.

